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### Washington Unemployment Dropped in January

OLYMPIA – Washington's seasonally adjusted unemployment rate fell four-tenths of a percentage point to 6.6 percent in January, Employment Security Commissioner Sylvia P. Mundy announced today. The nation's seasonally adjusted unemployment rate decreased by three-tenths of a percentage point to 5.7 percent.

Washington's non-adjusted unemployment rate rose four-tenths of a percentage point to 7.4 percent.

"The fall in the seasonally adjusted January unemployment rate reflects fewer than normal post holiday layoffs due to slack seasonal retail hiring in November and December," said Mundy. "The Washington jobless rate moved in line with the national rate, but at about one percentage point higher." Mundy cautioned that since employment movements between December and January are highly sensitive to seasonal conditions, it is too early to separate seasonal fluctuations from a cyclical turn-around.

Washington's nonagricultural non-adjusted wage and salary employment fell by 55,700 in January, a decline of 2 percent. This large decline is normal for this time of year. All major sectors experienced over-the-month declines. Among the goods-producing sectors, construction declined by 7,400 and manufacturing declined by 5,500. These were widespread and most were seasonal in nature. The food processing industry had already shed much of its seasonal labor force only declining by 800 in January. Aerospace products and parts manufacturing continued its cyclical decline losing another 1,500. Many services-producing industries also experienced seasonal layoffs. Retail trade declined by 16,600, transportation and warehousing by 1,600, information by 900, financial activities by 2,200, professional and business services by 7,000, and government by 4,000.

Washington's year-over-year change in nonagricultural employment was up 13,500 from January 2002. This increase compares to a decline of 64,600 from January 2001 to January 2002. Although the decline in employment turned around in 2002, Washington has only recouped about 20 percent of the employment lost in 2001. The increase in 2002 occurred despite a year-over-year decline of 22,400 in manufacturing. Almost 50 percent of the decline in manufacturing occurred in aerospace products and parts. Services-producing sectors fared better in 2002. Year-over-year employment changes reveal increases in wholesale trade (+200), financial activities (+3,400), professional and business services (+4,500), education and health services (+8,700), leisure and hospitality (+3,900), and government (+14,100). State government, excluding state education, declined by 200. Federal government increased by 3,500 and local government saw an increase of 10,000, about a third of which occurred in local education.

Washington State's Employment Security Department now codes all industry information by the new North American Industry Classification System (NAICS). Although many sectors are comparable, there are important differences. For a detailed discussion of the NAICS coding system go to <http://www.workforceexplorer.com/>.